

Exhibit 221

1
2 UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Master File No. 1:17-cv-00916-RA-BCM

5 - - - - -x

6 In re:

GLOBAL BROKERAGE, INC.

7 F/K/A FXCM, INC.

Securities Litigation

8 - - - - -x

9 Virtual Zoom Deposition

10
11 December 11, 2020

12 9:30 a.m.

13 CONFIDENTIAL VIDEOTAPED VIRTUAL
14 DEPOSITION of CHRIS MEYER, in the
15 above-entitled action, held at the above
16 time and place, taken before Jeremy
17 Richman, a Shorthand Reporter and Notary
18 Public of the State of New York, pursuant
19 to the Federal Rules of Civil Procedure,
20 and stipulations between Counsel.

21
22 * * *

<p style="text-align: right;">Page 38</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 types of regular payments that EFFEX</p> <p>3 made to FXCM while you were there?</p> <p>4 A. Not regular payments.</p> <p>5 Q. So how often were these</p> <p>6 payments for trading volume made?</p> <p>7 A. Monthly.</p> <p>8 Q. How was the amount of the</p> <p>9 payments determined?</p> <p>10 A. Someone at FXCM would</p> <p>11 calculate how much volume we had seen,</p> <p>12 and they would put it in an invoice and</p> <p>13 send us an invoice. And I would have</p> <p>14 people on our side check the numbers.</p> <p>15 Q. And so the volume, and I</p> <p>16 think you mentioned a rate per million</p> <p>17 so that the rate would be multiplied by</p> <p>18 the volume to get a final amount; is</p> <p>19 that what would be billed to EFFEX from</p> <p>20 FXCM?</p> <p>21 A. Yes.</p> <p>22 MS. ENNIS: Objection to</p> <p>23 form. Josh, try to be a little bit</p> <p>24 more specific when we're talking</p> <p>25 about rates and volume here.</p>	<p style="text-align: right;">Page 40</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 or changing the rate per million that</p> <p>3 was going to be charged?</p> <p>4 MS. ENNIS: Objection to</p> <p>5 form.</p> <p>6 A. Not in how they were set.</p> <p>7 John did that probably working with</p> <p>8 some of the other people that did the</p> <p>9 quantitative work, which I didn't do.</p> <p>10 He would tell me what he had decided,</p> <p>11 but that was most of it.</p> <p>12 Q. Do you know if there was</p> <p>13 anyone from FXCM who was involved in</p> <p>14 discussions about determining the rate</p> <p>15 per million?</p> <p>16 A. I don't know of anyone that</p> <p>17 was.</p> <p>18 Q. In the course of a monthly</p> <p>19 billing cycle, when was the rate</p> <p>20 determined? Before the month that was</p> <p>21 being billed had begun, before it</p> <p>22 ended, or after it ended?</p> <p>23 MS. ENNIS: Objection to</p> <p>24 form. What time period are we</p> <p>25 talking about here?</p>
<p style="text-align: right;">Page 39</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 MR. BAKER: Evan, you can ask</p> <p>3 your questions when you have a</p> <p>4 chance, after we're done.</p> <p>5 MS. ENNIS: And I made my</p> <p>6 objection.</p> <p>7 Q. Mr. Meyer, the rate per</p> <p>8 million that you mentioned, how was</p> <p>9 that determined?</p> <p>10 A. John determined those rates,</p> <p>11 as far as I know.</p> <p>12 Q. Did John unilaterally</p> <p>13 determine those rates, or was that in</p> <p>14 conjunction with FXCM?</p> <p>15 A. I don't know how the rates</p> <p>16 were determined prior to my starting,</p> <p>17 but the rates were there. The rates</p> <p>18 were adjusted, there were different</p> <p>19 rates for different lines of business,</p> <p>20 and to my recollection, John did it</p> <p>21 unilaterally. He told them this is</p> <p>22 what we can pay or will pay for that</p> <p>23 business.</p> <p>24 Q. Were you involved in</p> <p>25 discussions about determining, setting</p>	<p style="text-align: right;">Page 41</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. You can answer the question.</p> <p>3 MR. PAYKIN: I don't think he</p> <p>4 testified that the rates changed</p> <p>5 monthly.</p> <p>6 A. The rates did not change</p> <p>7 monthly. They changed -- it was pretty</p> <p>8 rare for them to change, but new rates</p> <p>9 were established for new types of</p> <p>10 business, too. So that's -- that was a</p> <p>11 part of it. Rates were, they were --</p> <p>12 no rate was changed retroactively or</p> <p>13 anything like that, right? Rates were</p> <p>14 set prior to billing, I guess, to</p> <p>15 answer your question as best I can, if</p> <p>16 I understood your question correctly.</p> <p>17 Q. I can clarify a little bit.</p> <p>18 For a given month, let's say</p> <p>19 February 2012 is a month that FXCM's</p> <p>20 billing EFFEX for this trading volume.</p> <p>21 Was there an agreement between EFFEX</p> <p>22 and FXCM on what rate would apply to</p> <p>23 that bill? And I'm just looking for</p> <p>24 when that was agreed upon for that</p> <p>25 month. Before the month started,</p>

<p style="text-align: right;">Page 42</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 after?</p> <p>3 A. Before.</p> <p>4 MS. ENNIS: Objection to</p> <p>5 form.</p> <p>6 Q. To your knowledge, was that</p> <p>7 rate per million set out in a formal</p> <p>8 agreement?</p> <p>9 A. No -- well, could you define</p> <p>10 what you mean by a formal agreement?</p> <p>11 You're an attorney, I'm not.</p> <p>12 Q. Sure. Any sort of written</p> <p>13 agreement between EFFEX and FXCM.</p> <p>14 A. I don't --</p> <p>15 MR. PAYKIN: Don't guess if</p> <p>16 you don't know.</p> <p>17 A. I'm not aware of any written</p> <p>18 agreements that covered that.</p> <p>19 Q. When the rate per million did</p> <p>20 change, do you know what the basis was</p> <p>21 for the change?</p> <p>22 MS. ENNIS: Objection to</p> <p>23 form, assuming facts.</p> <p>24 A. I don't. I wasn't involved</p> <p>25 in the calculations or any of that.</p>	<p style="text-align: right;">Page 44</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 different pools that we provided</p> <p>3 liquidity to, but it was always</p> <p>4 specific to a given pool of business.</p> <p>5 Q. And were there different</p> <p>6 rates per million that applied to</p> <p>7 different pools that EFFEX provided</p> <p>8 liquidity to?</p> <p>9 A. Yes.</p> <p>10 Q. Were portions of the FXCM</p> <p>11 trading volume that EFFEX captured</p> <p>12 sometimes excluded from calculations of</p> <p>13 the trading order flow payments?</p> <p>14 MR. PAYKIN: Objection, if</p> <p>15 you understand it.</p> <p>16 MS. ENNIS: Join.</p> <p>17 A. Could you repeat the question</p> <p>18 again?</p> <p>19 Q. Sure, I'll rephrase it. Were</p> <p>20 there times when a portion of the</p> <p>21 trading volume captured by EFFEX was</p> <p>22 excluded from the calculation of these</p> <p>23 monthly payments?</p> <p>24 MS. ENNIS: Objection.</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 43</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. Do you know what factors were</p> <p>3 considered in setting or changing the</p> <p>4 rate per million?</p> <p>5 MS. ENNIS: Considered by</p> <p>6 who?</p> <p>7 A. I remember John talking about</p> <p>8 the -- what was the value of winning</p> <p>9 ties. So we had, for most of the -- or</p> <p>10 maybe all, I don't remember -- of the</p> <p>11 business where we paid for business, we</p> <p>12 would, if there was a tie of two</p> <p>13 liquidity providers, ourselves and at</p> <p>14 least one other, we would get the</p> <p>15 trade. And so I do remember John</p> <p>16 talking about what was the value of</p> <p>17 winning ties as a driver of the</p> <p>18 payments.</p> <p>19 Q. Okay. So with these monthly</p> <p>20 payments we talked about, the rate per</p> <p>21 million and applying that to some</p> <p>22 volume, do you know what volume that</p> <p>23 rate applied to?</p> <p>24 A. There were different ones.</p> <p>25 There were, because there were</p>	<p style="text-align: right;">Page 45</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. I'm sorry, I didn't get your</p> <p>3 answer.</p> <p>4 A. Yes.</p> <p>5 Q. Thank you. Were you involved</p> <p>6 in determining what volume the rate</p> <p>7 applied to for a given month?</p> <p>8 A. No.</p> <p>9 Q. Were you involved in</p> <p>10 determining if certain liquidity pools</p> <p>11 or liquidity streams were excluded from</p> <p>12 the volume for a given month?</p> <p>13 A. No.</p> <p>14 Q. Was the volume that a rate</p> <p>15 per million would apply to for these</p> <p>16 payments for a given month, was that</p> <p>17 determined before the month began,</p> <p>18 after the month had ended, some other</p> <p>19 time?</p> <p>20 MS. ENNIS: Objection to</p> <p>21 form.</p> <p>22 A. You said, was the volume</p> <p>23 predetermined. The volume can't be</p> <p>24 predetermined. I'm not sure what you</p> <p>25 meant.</p>

12 (Pages 42 - 45)

<p style="text-align: right;">Page 46</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. Was whether to include or</p> <p>3 exclude certain liquidity pools or</p> <p>4 liquidity streams determined before or</p> <p>5 after a month, for the billing for that</p> <p>6 month?</p> <p>7 A. Before.</p> <p>8 Q. And was determination of</p> <p>9 liquidity pool -- or let me take a step</p> <p>10 back. Are you familiar with the</p> <p>11 phrase, liquidity stream?</p> <p>12 A. I'm not -- I would want to be</p> <p>13 sure I understood what you meant by</p> <p>14 that.</p> <p>15 Q. Well, you used the phrase,</p> <p>16 liquidity pool. What are you referring</p> <p>17 to there?</p> <p>18 A. Liquidity pool is the kind of</p> <p>19 combined liquidity provided in</p> <p>20 aggregate by all the liquidity</p> <p>21 providers into one given trading area.</p> <p>22 Q. And so EFFEX would provide</p> <p>23 liquidity into various liquidity pools</p> <p>24 for FXCM; is that correct?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 48</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 liquidity pools to include in the</p> <p>3 monthly payment calculations?</p> <p>4 A. Peripherally at best. I knew</p> <p>5 what decisions were made, but I wasn't</p> <p>6 involved in the analysis of it.</p> <p>7 Q. Do you know who had the final</p> <p>8 say in determining which liquidity</p> <p>9 pools would be included in a billing</p> <p>10 for a monthly cycle?</p> <p>11 A. John Dittami.</p> <p>12 Q. Was there anyone from FXCM</p> <p>13 who was involved in those discussions,</p> <p>14 or did Mr. Dittami make those</p> <p>15 determinations unilaterally?</p> <p>16 A. He made those determinations</p> <p>17 himself, unilaterally.</p> <p>18 Q. And so when FXCM billed EFFEX</p> <p>19 for these monthly payments, was that</p> <p>20 through a monthly invoice?</p> <p>21 A. Yes.</p> <p>22 Q. In your experience, did EFFEX</p> <p>23 always pay the full amount billed in</p> <p>24 those invoices?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 47</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. And do I understand you to be</p> <p>3 saying that the fees per volume that</p> <p>4 EFFEX paid to FXCM sometimes excluded</p> <p>5 certain liquidity pools?</p> <p>6 A. Yes.</p> <p>7 Q. Okay. And to your knowledge,</p> <p>8 was whether or not to include certain</p> <p>9 liquidity pools in these monthly</p> <p>10 payments set out in any form of written</p> <p>11 agreement between EFFEX and FXCM?</p> <p>12 A. The only way anything would</p> <p>13 have been written, I think, would have</p> <p>14 been in an email.</p> <p>15 MR. PAYKIN: Don't guess if</p> <p>16 you don't know, Chris.</p> <p>17 A. I'm not aware of any written</p> <p>18 agreements.</p> <p>19 Q. Okay.</p> <p>20 A. I don't know if you consider</p> <p>21 email a written agreement or not,</p> <p>22 sorry.</p> <p>23 Q. I'm just looking for your</p> <p>24 understanding, so that's fine. Were</p> <p>25 you involved in discussions about which</p>	<p style="text-align: right;">Page 49</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. Did EFFEX ever pay FXCM for</p> <p>3 trading volume in excess of the amounts</p> <p>4 that were billed by FXCM?</p> <p>5 A. No.</p> <p>6 Q. Did EFFEX ever make payments</p> <p>7 to FXCM for trading volume that were</p> <p>8 not in fulfillment of monthly invoices?</p> <p>9 MS. ENNIS: Objection to</p> <p>10 form. What does that mean?</p> <p>11 A. Not that I was aware of or</p> <p>12 that I remember.</p> <p>13 Q. To your knowledge, did EFFEX</p> <p>14 and FXCM ever agree to retroactively</p> <p>15 change the amount that EFFEX paid or</p> <p>16 owed for trading volume on invoices</p> <p>17 that had already been issued?</p> <p>18 MR. PAYKIN: What do you mean</p> <p>19 by retroactively?</p> <p>20 Q. You can answer if you</p> <p>21 understand.</p> <p>22 A. I don't remember any</p> <p>23 instances of that. So no. I mean,</p> <p>24 there may have been, I think</p> <p>25 occasionally there was an error in an</p>

<p style="text-align: right;">Page 50</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 invoice or something. But other than</p> <p>3 that, not to my recollection.</p> <p>4 Q. To your knowledge, did EFFEX</p> <p>5 and FXCM ever agree to make payments</p> <p>6 for trading volume based on a different</p> <p>7 rate per million or a different volume</p> <p>8 calculation than EFFEX had been billed</p> <p>9 for?</p> <p>10 A. Not to my knowledge.</p> <p>11 MS. ENNIS: Objection to</p> <p>12 form.</p> <p>13 MR. BAKER: We've been going</p> <p>14 about an hour. Is now a good time</p> <p>15 for a little five-minute break?</p> <p>16 MR. PAYKIN: I think that's a</p> <p>17 great idea.</p> <p>18 THE VIDEOGRAPHER: I will</p> <p>19 read us off. The time is</p> <p>20 approximately 10:27 a.m., we're</p> <p>21 going off the record.</p> <p>22 (Recess.)</p> <p>23 THE VIDEOGRAPHER: The time</p> <p>24 is approximately 10:36 a.m., we are</p> <p>25 back on the record.</p>	<p style="text-align: right;">Page 52</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. So take a minute to look at</p> <p>3 Exhibit 1, and while you do, I'll state</p> <p>4 for the record, Exhibit 1 is a document</p> <p>5 Bates stamped GLBR_111058, and</p> <p>6 attachments, which are GLBR_111059 and</p> <p>7 GLBR_111060. So Mr. Meyer, just let me</p> <p>8 know when you're ready.</p> <p>9 A. Go ahead.</p> <p>10 Q. So looking at the email on</p> <p>11 the first page, the top of that page,</p> <p>12 is this an email chain between</p> <p>13 Alexander Dick and yourself?</p> <p>14 A. Yes.</p> <p>15 Q. And who is Alexander Dick?</p> <p>16 A. I think he was an attorney</p> <p>17 for FXCM.</p> <p>18 Q. And would you agree that in</p> <p>19 this email, Mr. Dick is proposing</p> <p>20 amending an existing services agreement</p> <p>21 to change the fee from \$21 to \$16</p> <p>22 effective as of September 1st, 2011?</p> <p>23 A. Yes.</p> <p>24 Q. And did you understand the</p> <p>25 fee to be referring to the fee per</p>
<p style="text-align: right;">Page 51</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 Q. Welcome back, Mr. Meyer. If</p> <p>3 you will pull up Exhibit Share, I've</p> <p>4 introduced the first document that I</p> <p>5 would like you to take a look at. So</p> <p>6 please let me know when you're able to</p> <p>7 see Exhibit 1.</p> <p>8 (Exhibit 1, marked for</p> <p>9 identification, Bates stamped</p> <p>10 GLBR_00111058 through</p> <p>11 GLBR_00111060.)</p> <p>12 A. I can see it.</p> <p>13 Q. Okay, great. Go ahead and</p> <p>14 take a minute to review this document.</p> <p>15 Just before we jump into this, anytime</p> <p>16 -- I'm going to be introducing a number</p> <p>17 of documents as exhibits today. If you</p> <p>18 need context for questions I'm asking,</p> <p>19 you're always free to review the entire</p> <p>20 document. Generally, I'm going to</p> <p>21 focus you on certain areas, so I'm not</p> <p>22 going to quiz you on every single line.</p> <p>23 But as I mentioned, you're always free</p> <p>24 to review the entire thing as you need.</p> <p>25 A. Okay.</p>	<p style="text-align: right;">Page 53</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 million that FXCM would charge EFFEX</p> <p>3 for trading volume?</p> <p>4 A. Mm-hmm.</p> <p>5 Q. And you see at the bottom of</p> <p>6 Mr. Dick's email, he writes, As of now,</p> <p>7 the attached is the only agreement</p> <p>8 between the parties, do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. And briefly, looking at the</p> <p>11 attachments, starting with the second</p> <p>12 attachment, which starts -- I'm going</p> <p>13 to refer to Bates numbers when there</p> <p>14 aren't clear page numbers marked here,</p> <p>15 and Bates numbers refers to the bottom</p> <p>16 right corner of each page. Do you see</p> <p>17 that?</p> <p>18 A. The GLBR?</p> <p>19 Q. Yes, exactly. So first I'm</p> <p>20 going to ask you to look at the</p> <p>21 document that starts at GLBR_111060 on</p> <p>22 the third page of the PDF.</p> <p>23 A. Okay.</p> <p>24 Q. And feel free to review the</p> <p>25 entire document. My first question is,</p>

14 (Pages 50 - 53)

<p style="text-align: right;">Page 210</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 THE VIDEOGRAPHER: The time</p> <p>3 is approximately 3:14 p.m., we are</p> <p>4 back on the record.</p> <p>5 MR. BAKER: Welcome back,</p> <p>6 Mr. Meyer, thank you for your time.</p> <p>7 I'm going to pass the witness.</p> <p>8 MS. ENNIS: Great.</p> <p>9 EXAMINATION BY</p> <p>10 MS. ENNIS:</p> <p>11 Q. Mr. Meyer, my name is Evan</p> <p>12 Ennis. I'm from King & Spalding, and</p> <p>13 we represent the defendants in this</p> <p>14 action. I just have a few quick</p> <p>15 questions for you, so we can wrap up</p> <p>16 the day and get you done.</p> <p>17 Now, during your time, you</p> <p>18 mentioned trading that EFFEX did with</p> <p>19 entities other than FXCM. Did EFFEX</p> <p>20 provide liquidity to FOREX brokers</p> <p>21 other than FXCM?</p> <p>22 A. Yes.</p> <p>23 Q. And at least some of those</p> <p>24 FOREX brokers were competitors of FXCM?</p> <p>25 A. Yeah, they were all</p>	<p style="text-align: right;">Page 212</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 business with Alpari, we did business</p> <p>3 with LMAX. I'm trying to remember the</p> <p>4 ones in Japan. I just can't remember</p> <p>5 the names of the firms. We did</p> <p>6 business with -- some were in Japan, we</p> <p>7 did business with a firm in Sidney, I</p> <p>8 can't remember the name of it. And</p> <p>9 then we did business with several</p> <p>10 platforms that aggregated retail flow.</p> <p>11 Hotspot FX, I think we did business on</p> <p>12 FXall. We did business with platforms</p> <p>13 that did some retail and some</p> <p>14 institutional business, EBS, Reuters,</p> <p>15 those are the ones that I can remember.</p> <p>16 Q. Do you remember EFFEX</p> <p>17 providing liquidity to Saxo Bank?</p> <p>18 A. I remember talking to Saxo</p> <p>19 Bank, and we were having pretty</p> <p>20 extensive conversations with them near</p> <p>21 the end of my tenure at EFFEX, and I</p> <p>22 can't remember if she started trading</p> <p>23 with them or not before I left.</p> <p>24 Q. Okay. And did EFFEX pay FXCM</p> <p>25 any portion of its profits for trading</p>
<p style="text-align: right;">Page 211</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 competitors of FXCM.</p> <p>3 Q. And did EFFEX provide</p> <p>4 liquidity services to other FOREX</p> <p>5 brokers throughout your time at EFFEX</p> <p>6 Capital, or just for a portion?</p> <p>7 A. We -- not throughout, because</p> <p>8 they didn't when I started, and I don't</p> <p>9 remember exactly when we started doing</p> <p>10 business with the first other brokers,</p> <p>11 but, yeah, not throughout, but in most</p> <p>12 of the time I was there.</p> <p>13 Q. Would you say EFFEX was</p> <p>14 starting doing that in 2011?</p> <p>15 A. I think so.</p> <p>16 Q. Do you remember which FOREX</p> <p>17 brokers EFFEX provided liquidity for?</p> <p>18 A. I can remember some of them,</p> <p>19 probably.</p> <p>20 Q. It doesn't have to be a</p> <p>21 complete list, just whichever you can</p> <p>22 remember.</p> <p>23 A. We did business with, I think</p> <p>24 it was called Interbank FX. They were</p> <p>25 based in Utah, of all places. We did</p>	<p style="text-align: right;">Page 213</p> <p>1 C. MEYER - CONFIDENTIAL</p> <p>2 with these other entities?</p> <p>3 A. No.</p> <p>4 Q. Now, you also mentioned in</p> <p>5 response to one of Mr. Baker's</p> <p>6 questions today that EFFEX was trading</p> <p>7 in a lot of different places. When you</p> <p>8 say that, were you referring just to</p> <p>9 EFFEX providing liquidity to other</p> <p>10 FOREX brokers, or were you referring to</p> <p>11 other business actives that EFFEX was</p> <p>12 engaged in?</p> <p>13 A. FOREX brokers, and then other</p> <p>14 places where we traded that weren't</p> <p>15 direct -- were not retail FOREX</p> <p>16 brokers, but traded for an exchange.</p> <p>17 Q. Could you give me an example?</p> <p>18 A. EBS is one example, is a</p> <p>19 platform that mostly was used by banks.</p> <p>20 I don't think any retail brokers used</p> <p>21 EBS, but that was one of the places we</p> <p>22 traded that was not a retail broker.</p> <p>23 Q. And did EFFEX pay FXCM any</p> <p>24 portion of its profits from those</p> <p>25 trading activities?</p>